

Message Text

CONFIDENTIAL

PAGE 01 LIMA 04289 312357Z

21

ACTION ARA-20

INFO OCT-01 ISO-00 NIC-01 CIAE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20

USIA-15 OMB-01 AID-20 DRC-01 /118 W

----- 109811

P R 312314Z MAY 74

FM AMEMBASSY LIMA

TO SECSTATE WASHDC PRIORITY 0317

INFO SECDEF WASHDC

USCINCSO QUARRY HTS CZ

C O N F I D E N T I A L LIMA 4289

SECDEF FOR DIA, OSD/ISA

E.O. 11652: GDS

TAGS: PGOV, PE

SUBJECT: PRELIMINARY ASSESSMENT OF NAVY MINISTER'S OUSTER

REF: LIMA 4245

1. IT WILL TAKE A FEW DAYS FOR DUST TO SETTLE BEFORE DEFINITIVE CONCLUSIONS CAN BE REACHED REGARDING THE OUSTER OF VICE ADMIRAL VARGAS CABALLERO, NAVY MINISTER AND JUNTA MEMBER, AND TO ASSESS THE CONSEQUENCES THAT ACTION WILL HAVE ON THE CRUCIAL QUESTION OF UNITY OF THE ARMED FORCES. ON THIS MORNING AFTER, AS VICE ADMIRAL ARCE LARCO IS BEING SWORN IN AS VARGAS' SUCCESSOR, ON THE BASIS OF SOME INITIAL REACTIONS FERRETED FROM THE FRUSTRATED NAVY AND THE APPARNETLY DISINTERESTED ARMY, AND IN THE LIGHT OF GNERALLY SOBER PRESS TREATMENT (REFTEL), IT APPEARS THAT THE MILGOV WILL SURMOUNT WHAT HAS PROBABLY BEEN ITS MOST SEVERE CRISIS SINCE VELASCO'S CRITICAL ILLNESS IN FEBRUARY 1973.

2. WE HESITATE TO HAZARD VERY PRECISE PROGNOSTICATION AT THIS TIME BUT IN SHORT-RUN WE CAN DRAW SOME PRELIMINARY CONCLUSIONS. VARGAS' FORCED RETIREMENT REPRESENTS CLEAR VICTORY FOR ZEALOTS
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LIMA 04289 312357Z

IN MILGOV AND THE VOCIFEROUS ELEMENTS THAT SUPPORT RADICAL

POLICIES. THE IMMEDIATE CAUSE FOR THE OUSTER HAS NOT BEEN A QUARREL OVER SOME NEW AND IMPORTANT REVOLUTIONARY REFORM BUT RATHER OVER HIGHLY EMOTIONAL AND SUBJECTIVE ISSUES INVOLVING TOTAL DEDICATION TO REVOLUTION (AS INTERPRETED BY VELASCO AND HIS CLOSEST ADVISERS). ANY DIFFERENCES WITH OR EVEN LESS THAN ENTHUSIASTIC SUPPORT FOR THE REVOLUTION IS VIEWED IN THE CONSPIRATORIAL CONTEXT. IN HIS PRESS CONFERENCE VELASCO ASSERTED THAT "YOU ARE EITHER A REVOLUTIONARY OR A COUNTER-REVOLUTIONARY" AND THIS AUGURS BADLY, NOT ONLY FOR THE ALREADY MUFFLED OPPOSITION AND INDEPENDENT PRESS, BUT ALSO FOR THOSE LEADERS AND TECHNOCRATS WHO ARE CHARGED WITH THE TASK OF IMPLEMENTING THE REFORMS AND FACING THE COUNTRY'S MANIFOLD ECONOMIC DIFFICULTIES.

3. VELASCO'S PRESS CONFERENCE STANDS OUT AS A CRITICAL POINT IN THE CONCATENATION OF EVENTS LEADING TO VARGAS' RESIGNATION. MORE THAN EVER BEFORE THE PRESIDENT'S IRASCIBLE AND ERRATIC MAKEUP WAS REVEALED. STRONG AS THE "OFFICIAL" TRANSCRIPT READS, THE TAPED VERSION RECORDS AN INCREDIBLE PERFORMANCE OF SHOOTING FROM THE HIP, OF UNNECESSARY INSULTS TO BRAZIL, SPAIN, VENEZUELA, OF OBSESSION WITH CONSPIRACY, AND OF HIS CONCERN FOR HISTORICAL RECOGNITION OF HIS PERSONAL LEADERSHIP IN REVOLUTION. APART FROM ELICITING DISMAY IN THE THINKING PUBLIC, THIS COULD PUT IDEAS IN THE MINDS OF MORE MODERATE MILITARY LEADERS AS TO THE WISDOM OF VELASCO'S REMAINING AS PRESIDENT FOR AN EXTENDED PERIOD IN THE FUTURE. CONCERN OVER ARMED FORCES UNITY AND THEREFORE OVER NATIONAL SECURITY MIGHT PROVIDE THE HANDLE. WE SEE NO EVIDENCE OF THIS AS YET, HOWEVER.

4. THE NAVY'S FUTURE REACTION SHOULD BE WATCHED CLOSELY. THE COUNCIL OF ADMIRALS COMMUNIQUE OF MAY 29 INDICATED A SHORT-LIVED WILLINGNESS FOR CONFRONTATION AND WE UNDERSTAND THAT DURING ALL-NIGHT MEETING PRIOR TO VARGAS' RESIGNATION OPEN RESISTANCE WAS CONSIDERED. IN HIS FAREWELL MESSAGE VARGAS "ORDERED" THE NAVY TO MAINTAIN DISCIPLINE AND TO FOLLOW ORDERS IN SUPPORT OF THE COUNTRY'S PROGRESS. INITIAL REACTIONS WE HAVE FROM THE NAVY REFLECT EXTREME FRUSTRATION ABOVE ALL BUT ALSO INDICATIONS THAT THE CRISIS HAD BEEN BUILDING OVER THE PAST TWO WEEKS. IT IS DIFFICULT TO ASSESS AS OF NOW WHETHER VARGAS WILL MAINTAIN THE NAVY'S RESPECT OR LOSE IT FOR HAVING STEPPED DOWN WITHOUT

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LIMA 04289 312357Z

MORE OF A STRUGGLE. VARGAS WILL BE HONORED BY HIS OFFICERS AT A SPECIAL CEREMONY TOMORROW (SATURDAY, JUNE 1) AND SPEECHES -- BUT INDEED NOTHING MORE THAN SPEECHES -- ARE NOW PREDICTED.

5. SENIORITY HAS BEEN RESPECTED IN RECALLING ARCE FROM WASHINGTON FOR THE MINISTERIAL POST. BUT IS IS IMPORTANT TO REMEMBER THAT VELASCO DOES NOT LIKE ARCE AND HAS CALLED HIM A COUNTERREVOLUTIONARY. THE MILGOV REACHED DOWN TO PROMOTE

VARGAS FIRST BECAUSE OF VELASCO'S ANTIPATHY FOR ARCE. THE NAVY WANTED TO RECALL ARCE FROM WASHINGTON BEFORE BUT VELASCO REPORTEDLY KEPT HIM OUT OF LIMA. LIKE VARGAS, ARCE IS HIGHLY RESPECTED IN NAVY AND IT IS PROBABLE THEY THINK ALIKE ON MANY ISSUES. ARCE'S OBLIGATORY RETIREMENT IS ONLY SIX MONTHS AWAY AND VICE ADMIRAL JORGE BELLINA IS NEXT IN LINE. THE LATTER DOES NOT ENJOY THE SAME PRESTIGE AND IS CONSIDERED A "ME-TOOER."

6. WE HAVE VERY LITTLE HIGH-LEVEL ARMY REACTION AS YET. SOME GENERALS HAVE SEEMED INDIFFERENT TO VARGAS' REMOVAL AND WE ATTRIBUTE THIS PRIMARILY TO SERVICE RIVALRY, I.E., UNCONCERN OVER DEVELOPMENTS OR DIFFICULTIES IN NAVY. THERE ARE, OF COURSE, SOME GENERALS IN CABINET (E.G., FERNANDEZ MALDONADO, MENESES, TANTALEAN) AND IN TRADITIONAL ARMY POSITIONS WHO ARE UNDOUBTEDLY QUITE HAPPY TO SEE VARGAS LEAVE.

7. IN OUR VIEW, VARGAS' DEMISE WILL HAVE AN UNSETTLING EFFECT ON THE MILGOV BUT SHOULD NOT SHAKE ITS FOUNDATIONS SERIOUSLY. THE TASK BEFORE IT WILL BE TO SHORE UP THE SUBSTANCE AND SEMBLANCE OF UNIT. PRESIDENT VELASCO AND MILGOV MAY ELECT TO MODERATE THE NATURAL TENDENCY OF THE RADICALS TO EXULT OVER THE AFFAIR, AND IT MAY HAVE TO TOLERATE A CERTAIN AMOUNT OF CRITICISM REGARDING THE TREATMENT OF THE NAVY. FINALLY, MILGOV MAY INDEED CHOOSE TO DEAL GINGERLY WITH ARCE AND THE NAVY UNTIL PASSIONS COOL.

DEAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT OVERTHROW, POLICIES, ARMED FORCES, PRESS CONFERENCES, PERSONNEL RESIGNATIONS, OPPOSITION PARTIES, SPEECHES
Control Number: n/a
Copy: SINGLE
Draft Date: 31 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LIMA04289
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740138-0888
From: LIMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974054/aaaaacr.x.tel
Line Count: 141
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: LIMA 4245
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 19 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19 SEP 2002 by rowelle0>; APPROVED <19 MAR 2003 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRELIMINARY ASSESSMENT OF NAVY MINISTER'S OUSTER
TAGS: PGOV, PE, (VELASCO ALVARADO, JUAN), (VARGAS CABALLERO, LUIS E)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005